

**00680**

1984/09/00

U.S.-CHINA RELATIONS SINCE THE ONSET OF NORMALIZATION:  
A RELATIONSHIP IN SEARCH OF A RATIONALE

Richard H. Solomon

September 1984

The Rand Paper Series

Papers are issued by The Rand Corporation as a service to its professional staff. Their purpose is to facilitate the exchange of ideas among those who share the author's research interests; Papers are not reports prepared in fulfillment of Rand's contracts or grants. Views expressed in a Paper are the author's own and are not necessarily shared by Rand or its research sponsors.

## U.S.-CHINA RELATIONS SINCE THE ONSET OF NORMALIZATION: Relationship in Search of A Rationale

Richard H. Solomon

The Rand Corporation[1]

### The Problem: Defining a U.S. China Policy

America's China policy has gone through a remarkable series of transformations over the past four decades. The wartime ally in the fight against imperial Japan became, after the Communist victory in the civil war of the late 1940s, an adversary to be contained as China allied itself with the Soviet Union in February 1950 and entered the Korean conflict in the fall of that year. In the 1960s, the People's Republic of China (PRC)--"Red China," or "Communist China"--was still viewed as a rogue revolutionary power, even if one hostile to the Soviet Union as well to the United States. The country continued to evoke from Washington the policy of containment, perhaps even through a coordination of effort with Moscow. Yet in a wink of history's eye, China in the early 1970s became a partner in the process of normalizing political relations and, toward the end of the decade, a collaborator in countering the growing global Soviet military challenge.

---

[1]This paper was prepared for an Aspen Institute seminar on "U.S. Foreign Policy: Adjusting to Change in the Third World," held at the Wingspread Conference Center, Racine, Wisconsin, February 2-5, 1984. The views expressed here are solely those of the author and should not be imputed to The Rand Corporation or any of its research sponsors.

What accounts for these remarkable gyrations of policy; and can the U.S. develop and sustain a stable approach to the PRC during the remainder of this decade and through the 1990s? This analysis explores these issues, largely through a retrospective assessment of the evolution of U.S. China policy since the Nixon administration's normalization breakthrough of 1971. While the United States and China established diplomatic relations in 1979, the U.S. still faces the issue of whether or not it can sustain normal political relations with the PRC. Tensions over defecting tennis stars, conflicting trade policies and technology transfer decisions threaten to erode the development of constructive bilateral ties. And enduring American concerns about the security of Taiwan (as expressed through continuing arms sales to the island), combined with the possibility of a leadership succession in Taipei later this decade that could bring to power an independence-oriented government, could provoke Beijing into military action against the island and in the process undermine the U.S.-PRC relationship. At the same time, however, the unabated Soviet military challenge to the security of the two countries could drive Beijing and Washington into an active defense partnership.

As is elaborated in the historical assessments that follow, U.S. China policy since World War II has been shaped by the interaction of complex and diverse factors: the U.S.-Soviet competition; the state of Sino-Soviet relations; China's own foreign policy shifts; and the play of U.S. and Chinese domestic politics. Our China policy is formed of influences only partly associated with China itself or the Sino-American relationship. Cool-headed calculations of American national interest

have been secondary considerations in a process driven by domestic politics on both sides. Were China geographically closer to the U.S. (as Mexico or Canada), or in a more central strategic location relative to U.S. security interests (as Britain, Germany, or Japan), perhaps there would be greater stability to U.S. China policy. And were there a greater cultural and political affinity between the two countries, perhaps there would be fewer strains in the bilateral relationship. Yet, as is, the American approach to China is likely to be continuously roiled by international factors apart from the bilateral U.S.-PRC relationship itself, and by unstable popular attitudes and political feuds in the domestic affairs of the two countries.

#### The Nixon Breakthrough: In Search of Strategic Leverage and Domestic Political Gains

The Nixon administration's breakthrough in China policy was a classic case of personal leadership, domestic politics, and foreign policy considerations interacting at just the right time with a major departure in China's foreign policy to produce one of the more innovative developments in international relations in the second half [of this century. (The exact accomplishments of this initiative, and the longer term prospects for normalized Sino-American relations, are issues explored as this analysis progresses.)

Richard Nixon hinted at his intention to undertake an initiative toward China in 1967, in an article in *Foreign Affairs* entitled "Asia After Vietnam." In the piece the aspiring presidential candidate wrote of the need "to come urgently to grips" with a China still in the self-imposed isolation of the Cultural Revolution. That Nixon could view China as holding the potential for a significant foreign policy

initiative at a time when the country was at the high tide of the Cultural Revolution political frenzy, when daily the U.S. media carried reports or pictures of some new Red Guard outrage, is perhaps the clearest indication that candidate Nixon was taking the long view on an issue that at the moment had little domestic political attraction. At that time, China was seen by the American public as a much more threatening country than the Soviet Union, yet Nixon was already sensitive to the geopolitical possibilities of an improvement in Sino-American relations. Above all, as the title of his article suggests, the would-be president was looking for a way to break the country, and his putative administration, out of the Vietnam trap. A breakthrough with China--which, of course, had been the threat that had rationalized our Vietnam involvement in the first place--was one approach to leapfrogging out of the Indochina quagmire.

Nixon's motives, naturally, involved domestic political considerations as well as global strategy. His personal concern with a China policy initiative can be traced back to the 1960 presidential campaign. In the critical TV debate with Jack Kennedy, Nixon had found himself in an indefensible position on the Quemoy-Matsu issue. Despite his anti-Communist rhetoric in the campaign about Red China's determination to "take over the world," Nixon knew full well that all-out American support for Chiang Kai-shek was not consonant with U.S. interests. Moreover, after his own TV success that same year in the famous "kitchen debates" with Soviet Communist Party leader Khrushchev, Nixon tried to gain additional media exposure through a visit to China. A visa was requested, but the Chinese were in no mood to receive Mr. Nixon. Yet the experience of the two debates laid in place his concern

with an issue and an electoral strategy that were ultimately played out in the campaign at the end of the decade and in his 1972 trip to Beijing.

Nixon's concern with the personal political aspects of China policy was evident not only in the 1967 *Foreign Affairs* article, but also during the post-1968 election period as he began his own effort to come to grips with the PRC. In 1969 and 1970 Senators Ted Kennedy and Mike Mansfield were seeking visas to China, in part as a way of taking some initiatives of their own on Asia policy. Nixon was determined, however, that he not be blindsided again by the Democrats on this issue. Hence, one of the matters that he instructed Henry Kissinger to raise with PRC Premier Zhou Enlai during his first, secret trip to Beijing in July 1971 was his concern that no other American politician be invited to the Chinese capital before his own official trip. The Chinese accommodated Nixon, but the possibility of them playing on the U.S. domestic political scene continued to lurk in the background as Nixon pursued his initiative. (Indeed, after 1973 the Chinese were to demonstrate considerable skill in playing off contending American figures within successive administrations--Schlesinger against Kissinger, Brzezinski against Vance, and Haig against Allen).

Nixon's initiative was widely characterized at the time as courageous and politically risky. It was, as well, politically "defensive" in that he was determined that his administration neither be bogged down in Vietnam nor that his domestic political adversaries to the "left" outflank him on China policy. Moreover, public opinion polls of the time show that mainstream American opinion had moved to a point of accepting "Communist China" as a fact of international life by

supporting its admission to the United Nations. If there was a political risk for Nixon in his initiative, it was that he would be attacked from the right by the conservatives in his own party, who could be counted upon to take up attacks on a China initiative that were certain to come from Chiang Kai-shek--as they had in 1961 when President Kennedy took his first step toward a two-China policy by floating the trial balloon of recognizing Mongolia.[2]

As a consequence, the initial steps toward the PRC in late 1970 and early 1971 were taken in great secrecy in order to avoid the premature mobilization of opposition both at home and abroad; and much of President Nixon's internal political maneuverings after July 15, 1971 were devoted to controlling the opposition of Republican conservatives. Thus, Senator Goldwater and others were assured by Nixon that his trip to Beijing would not result in U.S. "abandonment of Taiwan" or recognition of the PRC; and in the fall of 1971 the President sent then-governor of California Ronald Reagan to Taiwan as his personal representative at the Republic of China's October 10 national day celebration. Nixon's success in co-opting the "right" was symbolized on the day of his departure for Beijing when Senator Goldwater escorted the President out of the South Portico of the White House to the awaiting helicopter--an event given national television coverage, as was his subsequent visit to the Chinese capital.

Could the Nixon initiative have been undertaken earlier than it was? Probably not, at least not at an acceptable domestic political price. The Kennedy administration's musings about a two-China policy

---

[2]See Roger Hilsman, *To Move A Nation: The Politics of Foreign Policy in the Administration of John F. Kennedy* (New York: Doubleday, 1967), pp. 302-307.

would have been rejected out of hand by the Chinese as perpetuating the division of their country; and a China initiative by the Democrats would almost certainly have been attacked vigorously, if not undermined, by the Republicans. (One wonders, of course, how Mr. Nixon--had he not been elected president in 1968--would have approached a Humphrey administration effort to normalize relations with the PRC. The common wisdom is that it took a conservative Republican with impeccable anti-communist credentials to bury John Foster Dulles' China policy. This perspective is probably correct.)

The Chinese, for their part, were politically immobilized on any foreign policy initiative all through the frenzied years of the Cultural Revolution (especially the period 1966-1969). Ultimately, it took the Soviet military buildup against the PRC--which began in late 1964 and reached a point of evident danger for China's security after Moscow's invasion of Czechoslovakia in August of 1968 and the Sino-Soviet border clashes in the spring and summer of 1969--to enable Mao Zedong to convince other Chinese leaders that a major foreign policy initiative was needed to ensure the country's security against the growing Soviet threat.[3]

---

[3]And even in this context there apparently was considerable division of opinion within the Chinese leadership about the wisdom of negotiating with the "imperialist aggressors" while the war in Vietnam dragged on. We believe, with little proof, that the demise of PRC Defense Minister Lin Biao--Mao's officially designated successor--was based, in part, on his opposition to the Chairman's decision to invite Nixon to the PRC. Mao told Nixon in 1972 that Lin had opposed his policy of contacts with the United States.

There is also some evidence that Mao ordered his military to take the initiative in the first of the Sino-Soviet border clashes in order to mobilize Chinese and world opinion against the growing Soviet military buildup against the PRC.

In sum, the success of the Nixon administration's China initiative, as codified in the "Shanghai Communique," seems to reflect a unique and somewhat fortuitous confluence of personal and political factors for an American politician intersecting with the intense security concerns of a small group of Chinese leaders who had the power to initiate a profound departure in foreign policy that contravened defense and foreign policies, and domestic ideological imperatives, that had bound the PRC and the United States in hostile confrontation for two decades. For both Nixon and Mao Zedong, security concerns provided the basic rationale for the normalization initiative.

#### Watergate and the Ford Interregnum: Immobilism from the U.S. Right and China's Left

In 1973-1974 the momentum toward full normalization of U.S.-PRC relations set in train by the Nixon visit to China of 1972 first bore additional fruit, as Washington and Beijing agreed in early 1973 to establish "liaison offices" in their respective capitals, and then dissipated as Watergate eroded the power of the Nixon presidency. This reversal in domestic American politics was paralleled by renewed leadership conflict in the PRC, as the Cultural Revolution reached its nadir with the deaths of the founding fathers of the Communist revolution.

During his 1972 discussions with Mao Zedong and Zhou Enlai, Nixon had raised for the Chinese leadership the expectation that with sufficient political "running room" he would attempt to complete the normalization process in his second term. After mid-1973, however, as the attacks of Watergate consumed the attention and political vitality

of the administration, the China initiative began to drift in the domestic political storm.

At the same time, Zhou Enlai began an almost imperceptible retreat from the Premiership as cancer sapped his physical vitality and political attacks from radicals within the leadership checked his policy influence. Zhou's protege Deng Xiaoping was rehabilitated (for the second time) in the spring of 1973 and began the slow process of trying to reassert his influence; and the infirm Chairman Mao, suffering from a series of evermore severe strokes, tried to regrasp the reins of foreign policy. While Mao might have been able to consummate a normalization agreement by asserting his own authority over a leadership polarized between Zhou and Deng pragmatists and the "Gang of Four" radicals who rallied around his wife Jiang Qing, no offer was forthcoming from the moribund Nixon administration or its immediate successor headed by Gerald Ford.

Henry Kissinger was, for the Chinese, an important link to the Nixon commitment to attempt to complete normalization in a second term. Thus, in 1975, as Mr. Ford sought to use a second presidential trip to China as a way of asserting his foreign policy credentials, the Chinese put great pressure on Kissinger to have Mr. Ford "deliver" on the Nixon commitment. In the summer of 1975, as preparations began for an October trip to China by Kissinger to plan the December presidential visit, White House political managers made the judgment that Mr. Ford could not "derecognize" Taiwan and establish full diplomatic relations with the PRC without seriously jeopardizing support from Republican conservatives needed to win the party's nomination at the 1976 convention. Former California governor Reagan was preparing to mount his challenge to the Ford presidency; and Taiwan would be a major issue with GOP faithful.

The Chinese brought relations with Kissinger to a point of high tension during his October trip to Beijing, even raising the prospect of a retraction of the invitation for Mr. Ford to visit the PRC. They quickly reversed field, however, after the "Halloween Weekend Massacre" (in which Secretary of Defense Schlesinger was purged, Kissinger lost his NSC post, and Liaison Office Chief George Bush was recalled from Beijing to assume charge of the CIA) in fear that further pressure on the administration in an election year would rupture the still fragile, semi-normalized relationship with the U.S.--and at a time when the Soviet military buildup in Asia continued apace.

Mr. Ford had a cordial, if uneventful visit to Beijing in December of 1975; and U.S.-PRC relations continued to drift through the American political campaign and the playing out of China's Cultural Revolution finale--the death of Zhou Enlai in January of 1976, Deng Xiaoping's third purging in April, the death of Mao Zedong in September, and the almost immediate purge of his wife and would-be successor Jiang Qing and the other members of the "Gang of Four" by a coalition of Party, secret police, and military leaders. New leaderships in both Beijing and Washington regrouped in late 1976 to consider the full skein of their domestic and foreign policies--of which Sino-American relations was but one thread.

#### **The Carter Administration: Domestic Legitimacy and Anti-Soviet Leverage Through Normalization with China**

Jimmy Carter came to his presidency with largely unfixed views on China policy. In a campaign debate of early October 1976, Carter asserted that he "would never let friendship with the People's Republic

of China stand in the way of the preservation of the independence and freedom of the people of Taiwan." Whatever views he may have had as candidate about "independence" and "freedom" for the people of Taiwan succumbed to his early education as president about the provocative nature for Beijing--if not Taipei--of such symbols as "independence" and "freedom," and to the preoccupation with other foreign policy issues.

Carter's education on China policy was complicated by a profound division of opinion within his administration between a Secretary of State who believed that the China relationship should be developed "evenhandedly" with the Soviets, on its own merits, and without reference to U.S.-Soviet tensions; and a National Security Adviser who instinctively saw the China relationship as a "card" to be played against the threatening Soviets.

Carter's aloofness from China policy during his first year in office eased during the early months of 1978 as National Security Adviser Brzezinski pressed his own involvement in the Sino-American relationship. Carter's personal interest became actively engaged in the early fall of the year when, having tasted his first major foreign policy success at Camp David, he decided to press for a triple achievement at year's end through completion of normalization with the Chinese, conclusion of a SALT II agreement with the Soviets, and encouragement of an Egypt-Israeli peace treaty.

Thus, Carter accepted Brzezinski's geopolitical approach to China policy as opposed to Vance's "bilateral" conception, and eventually built on the Kissinger strategic dialogue with Chinese leaders by developing defense ties with the PRC after Moscow's invasion of Afghanistan in the last days of 1979. Carter's personal hope was that a

success in completing the normalization process begun by President Nixon would give his presidency a domestic political legitimacy that had eluded him until his Camp David achievement.

Carter succeeded in consummating negotiations with Beijing on the establishment of full diplomatic relations in mid-December 1978. He was aided in this process by a combination of the secrecy with which the negotiation process was pursued (thus minimizing the stimulation of opposition from Taiwan and the Republicans), and by the legitimacy which the goal of normalization had acquired under Presidents Nixon and Ford. Conclusion of an agreement was also facilitated by China's well-masked anxiety to complete normalization by the end of 1978 in order to give the PRC some added margin of protection against Soviet military pressures as the country went into a period of intense military confrontation with Moscow's new treaty partner Vietnam, which had just invaded China's ally Kampuchea (Cambodia).

While Carter's accomplishment drew broad support from the American public and much of the political community, the secrecy with which he had conducted the negotiations--including the failure to consult extensively with Congressional leaders until normalization was all but an accomplished fact--produced a significant legislative reaction against the normalization agreement as Congress passed the Taiwan Relations Act in the spring of 1979. This piece of legislation, which obligated the President and Congress to "enable Taiwan to maintain a sufficient self-defense capability," strained the delicate political understandings between Washington and Beijing that had been central to the normalization agreement by placing in public view a symbolic American reassertion of the intent to sustain the island's security

against PRC pressures. The thrice rehabilitated Deng Xiaoping--China's architect of the normalization agreement--was subsequently subjected to domestic criticism that the Americans had betrayed him in a unilateral revision of the normalization agreement.

An additional facet of the Carter administration's approach to China policy that should be noted is the disparity between its commitment to human rights--as forcefully asserted in relations with such allied leaders as South Korean President Park and Philippine President Marcos--and the almost complete failure to press human rights issues in dealings with the PRC. For Carter, normalization with China had the complex rationale of global (and anti-Soviet) security concerns, a belief that an economically developing China would have broad, positive effects on international relations, and the assumption that successful attainment of bilateral U.S.-PRC normalization demonstrated his capacities as an international statesman.

It is true that during most of the 1970s the American public ignored the repressive aspects of Communist Party rule of China in favor of a fascination with ping pong diplomacy, panda bears, and the complexities of "playing the China card" against the Soviet Union. This blindness to the totalitarian aspects of Communist Party rule of China was cured in the subsequent decade as scales fell from the eyes of the first American journalists stationed in China, and the conservative Republicans--whom Nixon had held at bay in the period of the opening to Beijing--gained control of the White House.

### The Reagan Administration: The Political Right Comes Full Circle to the Nixon and Carter Tracks

Ronald Reagan assumed the presidency with strong views about China; but unlike Mr. Nixon he did not stress relations with the PRC or view China policy in a strategic framework. During the campaign of 1980 Reagan had clearly communicated his personal sympathies for Taiwan. In a formal statement of August 25 he even said he would "not pretend" (as had been agreed in the Carter normalization deal with Beijing) that our residual relationship with the island was "unofficial." He stressed his intention to base his China policy on the Taiwan Relations Act rather than on anti-Soviet concerns and a strategic understanding with PRC leaders. His aloofness from the PRC on defense matters, an aspect of U.S.-PRC relations which Carter had opened up in 1980, was expressed in a *Time Magazine* interview just before the inauguration when he indicated that he would hold back on arms sales to the PRC inasmuch as China had a form of "government that believes in destroying governments like ours" and that any weapons we might sell could eventually be turned against the U.S. and its allies. In Beijing, Deng Xiaoping, already under pressure to take some action on the Taiwan issue, expressed concern that Mr. Reagan would "turn back the clock" on U.S.-China policy.

As in the Carter presidency, the Reagan administration was in fact seriously divided on China policy. Secretary of State Haig wanted to sustain and develop the strategic possibilities in the U.S.-PRC relationship. And in June of 1981 he succeeded in gaining cabinet approval for arms sales to China, as he announced to the world at the conclusion of his visit to Beijing at the end of that month. At the same time, National Security Adviser Richard Allen and other

conservatives wanted to do better by Taiwan. Despite their concern with countering the Soviet threat, they distrusted an approach which required collaboration with the Communist government in Beijing. Their position was reinforced by vocal conservatives in the Congress who wanted to see more weaponry sold to the island under the terms of the Taiwan Relations Act.

These differences of view were fought out for more than a year over the question of whether or not to make available to Taiwan a new generation of interceptor aircraft, the "F-X." Beijing forced the issue for the administration by threatening to downgrade or break diplomatic relations unless the United States agreed to negotiate a framework for ending all American arms sales to Taiwan. Under these multiple pressures the President ultimately tilted toward the strategic side of the argument: Taiwan did not get the F-X (although a co-production arrangement with the island for the manufacture of F-5Es was extended); Beijing did not downgrade its diplomatic representation in Washington; and a U.S.-PRC understanding was announced on August 17, 1982 in which Beijing stressed its long-term commitment to a policy of peaceful reunification with Taiwan. The United States agreed to put a "qualitative and quantitative" ceiling on arms sales to Taiwan and to ultimately end such sales (premised on Beijing's adherence to the "peaceful reunification" policy).

President Reagan thus brought China policy back to the tracks of the three preceding administrations. His reasons for doing so--despite emotional and ideological proclivities for Taiwan--were a mixture of the desire not to hand the Soviets the gratuitous benefit of a break in the U.S.-PRC relationship, and to avoid giving the Democrats a powerful

issue--the destruction of normal U.S.-PRC relations--which could be used to attack his presidency.

Despite this effort to keep China policy on track, the debates of the 1980 campaign, the F-X negotiation, and a range of trade and cultural-exchange-related irritants in the relationship, had resonated with political tensions in Beijing to seriously strain the U.S.-PRC tie.

Deng Xiaoping was in the process of trying to purge the Chinese Communist Party of old, incompetent and radical elements, rationalize economic policy, and open the country to greater Western influence.

Groups in the leadership threatened by Deng's policies grasped the Taiwan issue and the impact on China of the sudden and dramatic opening up of the country to non-Marxist influences to challenge his domination of the policy process. While they did not succeed, the momentum of the Sino-American relationship flagged in distrust and preoccupation with other issues, despite U.S. restraint on arms sales to Taiwan and offers of increased cooperation with the PRC on matters of technology transfer and defense.

In 1983 and 1984 Beijing and Washington pursued a range of efforts to repair the strains in a somewhat tattered but still "normal" relationship. A remarkably active series of senior leadership exchanges began in February 1983 with Secretary of State Shultz's visit to Beijing. By the time this cycle of contacts was played out with President Reagan's trip to China in April 1984 and PRC Defense Minister Zhang Aiping's visit to the U.S. in June, the United States and China had exchanged visits by top officials concerned with commerce, science policy, defense, foreign relations, and national leadership.

In assessing the current state of U.S.-PRC relations, it is necessary to begin with the observation that the shared policy rationale for the relationship, beyond avoidance of a return to past patterns of confrontation, is weakened by asymmetrical and sometimes conflicting interests. Both Washington and Beijing understand the anti-Soviet rationale for normal relations, yet each seeks to capture the "swing" role of the strategic triangle and is concerned that the other will back off from collaboration in a serious confrontation with the USSR. Each sees the value of defense cooperation but fears provoking the Soviets or straining relations with important allies. Each wants cultural exchanges, yet the Chinese are ambivalent about Western influences on their political order and the Americans chafe at restrictions on access to Chinese society. Each wants trade to develop, yet the Chinese fear dependence on American technology and financial indebtedness, while the U.S. is concerned about the disruptive effects of Chinese exports on such politically sensitive market sectors as textiles and the leakage of advanced technologies to third-world countries. The stability of the U.S.-PRC relationship still suffers from the lack of a clear and widely accepted policy rationale.

At the same time, the Taiwan issue lurks at the margins of U.S.-PRC relations as a potential source of political conflict, if not renewed military confrontation. As the succession to Chiang Ching-kuo's leadership of the island approaches, leaders in Beijing and Washington are wary of changes on Taiwan they cannot control but which could seriously strain the U.S.-PRC relationship. The concern is not really U.S. arms sales to the island, but Taiwan's future commitment to the concept of "one China."

In 1983 a new element in U.S. consideration of the Taiwan issue was introduced as the House Foreign Affairs Committee's East Asia Subcommittee held hearings on the human rights issue on the island. In the Taiwan context, "human rights" is really a code word for the issue of Mainlander-Taiwanese relations and questions of political self-determination if not Taiwanese independence. "Self determination" is a concept with considerable political appeal in the Congress, but it has profoundly destructive implications for the future of U.S.-PRC relations. And without a strong policy rationale for our relationship with the PRC which would give some sense of relative importance to the U.S. interests involved, normal Sino-American relations will remain subject to the destabilizing influences of domestic politics on both sides of the relationship and to shifting international trends.

**Lessons Learned: The Importance of Presidential Leadership, Domestic Politics, and the Great Power Competition**

That the normalization of U.S.-PRC relations was in America's national interest can scarcely be disputed. Public opinion polls show the policy to be widely accepted; and even Taiwan's most active supporters in the United States do not publicly attack normal U.S.-PRC relations. The ending of our decades-long confrontation with the PRC unburdened the U.S. of a military confrontation with the most populous nation in the world and gave us enhanced strategic flexibility. As noted, however, we still have yet to reach a policy consensus in this country on the potential strategic and defense benefits of the relationship, or to consolidate a set of stable bilateral ties in the areas of trade and cultural exchange.

It is, in fact, unlikely that we will reach such a consensus in the absence of some major increase in the Soviet threat to common Chinese and American security interests. The experience of the past decade teaches us that our dealings with the Chinese are subject to too many conflicting and unstable influences; and the PRC, for all its *potential* importance as a world power, remains peripheral to America's contemporary defense, economic, and political interests. What we do see is the importance of three factors in shaping the relationship: (1) national leadership (on both sides) and the way that individual Presidents (or Party Chairmen) define China policy; (2) the vagaries of domestic politics; and (3) the primary influence that the Soviet military threat has had in driving these two geographically distant and culturally and politically dissimilar countries into the tentative embrace of normalization.